

# How to Find a Supplier on Alibaba and Avoid Scammers

## What is Alibaba?

Alibaba is a B2B platform that helps connect suppliers, primarily from China, with buyers.

Through Alibaba, companies around the world can choose a manufacturer and have products made and shipped to them, both ready-to-ship or customized goods. They can also sell to global wholesale buyers.

Alibaba.com allows international businesses access to a global B2B e-commerce platform. For example, Amazon vendors looking to buy inventory can find manufacturers on Alibaba.

Alibaba operates other related e-commerce sites:

**AliExpress:** Alibaba's B2C international retail platform. It allows international shoppers to buy goods from Chinese businesses with no minimum order.

Its other e-commerce platforms serve Chinese consumers:

**Taobao:** C2C retail marketplace.

**Tmall:** B2C e-commerce platform. It allows Chinese and international brands and retailers to sell to consumers in China. It is essentially a digital mall with virtual stores.

**1688:** B2B platform like Alibaba geared for the Chinese market.

Together they have millions of users, merchants, and businesses.

For more about Alibaba and intellectual property protection, see '[Alibaba and IP Protection](#)'.

## Suppliers on Alibaba

Alibaba makes it easy enough to find a wholesale supplier at low costs. It offers an ever-expanding choice of suppliers and an excellent search engine. But having numerous suppliers offering countless products and services does not guarantee you find a trustworthy supplier. There are many reports of scams on Alibaba, as well as other issues such as customer service, packaging, shipping times, and more.

Most suppliers on Alibaba are manufacturers, but most require large minimum orders. As middlemen, wholesalers usually allow for smaller orders.

When on Alibaba, you are shopping for suppliers. You want to screen for suppliers rather than products. To screen suppliers, use Trade Assurance, Gold, and Assessed suppliers.

## **Trade Assurance**

A free service offered by Alibaba, Trade Assurance covers you if the products you ordered do not ship on time and if the product you receive does not meet the specifications or quality standards. If this happens, Alibaba will give you a full refund.

## **Gold suppliers**

Premium membership suppliers pay a high membership fee for the gold status. Scammers usually go for the free Alibaba accounts. Although the membership fee does not guarantee they are reliable, gold suppliers are less likely to be scammers who disappear. Go to the product page or supplier profile and look for the number, which tells you how many years the supplier has had the Gold status.

## **Verified suppliers**

Verified suppliers may arguably be your best choice. They are gold suppliers from China, Hong Kong, or Taiwan, who have been inspected by a third-party inspection company. If the supplier has been verified, you will see this on their Alibaba profile, as well as a list of what they have been verified for.

To screen for Trade Assurance, Gold Suppliers, and Assessed Suppliers when you look up suppliers on Alibaba, check the button that says each of the three so you see the relevant suppliers and products.

Alibaba also has ratings and reviews now, so you can see what other buyers think about the suppliers and their products.

## **How to verify suppliers?**

When you have the shortlist of suppliers, it is time to do some more research. Try to find out more information online to verify who they are. Check the following information:

- (1) Business license: In China, a company name includes its location, name, main product, and partnership type.
- (2) Business type: Suppliers may engage in manufacturing or trading. Many companies have both the factory and export license, while others do only manufacturing or trading.
- (3) Number of years selling on Alibaba: This may indicate how stable and reliable the supplier is.

(4) Company certifications: Make sure the supplier holds the necessary certifications for quality and regulation purposes.

In addition, look at data such as the response rate and client testimonials.

For more information, Google the supplier name. You can also search the company name with words like scam, bad reviews, etc.

## How to avoid scams and bad suppliers on Alibaba?

Bad suppliers and sellers exist on every platform, and they are known to be present on Alibaba. To minimize the chances of getting scammed or choosing an unreliable supplier, reach out to more than one supplier to verify them.



## Popular scams and how to avoid them

(1) Supplier claims to sell brand products for lower prices

Some Alibaba suppliers claim they are the original manufacturers for branded products, which they offer for substantially lower prices.

It is highly unlikely they are the OEM, and the products are almost certainly fake. The same is true for licensed products, such as sports team logos and Disney characters.

How to avoid: Brand products are not recommended on Alibaba.

## **(2) Supplier increases price after you place the order**

Surprisingly can quote low prices to attract you to make an inquiry and start the process. You confirm the product details, negotiate an agreement, and even make a deposit. At this point, after you invested time and money, the supplier increases the price. He can give you excuses, such as a rise in the cost of raw materials, and you find it difficult to walk away.

How to avoid: Have more than one available supplier so you can turn to a more reliable source. And make your purchase via Trade Assurance.

## **(3) Supplier sends a high-quality sample and low-quality goods**

Some suppliers send great examples that do not match the quality of your bulk order.

How to avoid: Hire a third-party inspection company to examine the goods in China before they are shipped. Trade Assurance is also helpful.

## **(4) Supplier uses fake certifications**

Some products, such as toys, must comply with the regulations in your domestic market. Suppliers may not have the necessary certifications, or they can use fake certificates.

How to avoid: Check the certifications carefully, and try to contact the test lab that certified the products directly.

## **(5) Supplier changes products without letting you know**

Bad suppliers can send slightly different products in the first order or the repeat order. Make sure your agreement includes all product details such as material, color, size, packaging, and shipping.

How to avoid: If you agree on specifics, you are covered via Trade Assurance.

## What not to do on Alibaba

To avoid scams on Alibaba **do not**:

- (1) Send money to a sales representative's personal account, even for a significant discount. It disqualifies you from being eligible for Alibaba's trade assurance.
- (2) Send money to a new, different bank account. The email asking for the change can be a scam. To avoid this, contact your supplier.
- (3) Give up on using Trade Assurance. Suppliers can make excuses why not to use Trade Assurance, but it is to your benefit to pay strictly through Alibaba.
- (4) Give up on a factory tour, video call, or third-party inspection.



## Wiser Market: online anti-counterfeit agency

Counterfeiters and scammers utilize eCommerce knowledge and fraudulent techniques to sell their illicit materials, products, and services.

At Wiser Market, we have unique eCommerce know-how, a result of nearly 20 years eCommerce experience. We combine this unique know-how with innovative technology to protect our clients in the battle against counterfeits on online platforms.

As a leading online brand protection agency, Wiser Market offers a 360° automatic solution, protecting your business. We scan and analyze Alibaba and other online platforms 24/7.

Our advanced IP monitoring system detects potential IP infringements which are then quickly analyzed by powerful algorithms to establish infringements and enforce our clients' IP rights.

Combining innovative technology, advanced tools, actionable data and expert analysis, we provide our clients with unrivaled protection across multiple digital channels.

Is **Your Brand** protected? [Contact us](#) for a **FREE** brand review:

## FAQ

### What should be in the agreement with Alibaba supplier?

Make sure you finalize key issues such as:

1. Product specifications
2. Price and payment details and deadlines
3. Shipping times
4. Seller guarantees
5. Refund policy
6. Dispute resolution

Also, look for reviews and request samples and be alert for warning signs.

### What about new Alibaba suppliers?

The risk associated with new suppliers is that they may abandon or close their Alibaba account. A supplier with a 1-year membership poses a greater risk. If you do choose a 1-year membership supplier, be sure to use Trade Assurance or consider PayPal.

### Can I buy branded goods on Alibaba?



Yes, but buying brand names on Alibaba is not recommended as they are almost certainly not authentic.

### **Can I get scammed on Alibaba?**

Yes, there are scammers on Alibaba, just like there are scammers on other online platforms. There are ways to make better choices and reduce risks.